STATE OF CALIFORNIA--OFFICE OF ADMINISTRATIVE LAW

NOTICE PUBLICATION/REGULATIONS SUBMISSION

CERT

(See instructions on reverse)

ORIGINAL

For use by Secretary of State only

FILED

In the office of the Secretary of State of the State of California

JAN 14 2013

At 3:49 O'Clock P M.

DEBRA BOWEN, Secretary of State

By _____ Deputy Secretary of State

STD. 400 (REV. 01-09)

OAL FILE NUMBERS	NOTICE FILE NUMBER	REGULATORY ACTION NUMBER	EMERGENCY NUMBER
	Z-2012-0627-01	2012-1211-01C	

For use by Office of Administrative Law (OAL) only

2012 DEC 11 PM 2:44

OFFICE OF ADMINISTRATIVE LAW

NOTICE | REGULATIONS

AGENCY WITH RULEMAKING AUTHORITY
California Department of Social Services

AGENCY FILE NUMBER (If any)
ORD #0512-05

A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. SUBJECT OF NOTICE	TITLE(S)	FIRST SECTION AFFECTED	2. REQUESTED PUBLICATION DATE

3. NOTICE TYPE	4. AGENCY CONTACT PERSON	TELEPHONE NUMBER	FAX NUMBER (Optional)
☐ Notice re Proposed Regulatory Action ☐ Other			

OAL USE ONLY	ACTION ON PROPOSED NOTICE	NOTICE REGISTER NUMBER	PUBLICATION DATE
	☐ Approved as Submitted ☐ Approved as Modified ☐ Disapproved/ Withdrawn	2012, 28-Z	7-13-2012

B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

1a. SUBJECT OF REGULATION(S)
CalWORKs Earned Income Disregards for Determining Eligibility

1b. ALL PREVIOUS RELATED OAL REGULATORY ACTION NUMBER(S)
2012-0619-04 EFP

2. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) **(Including title 26, if toxics related)**

SECTION(S) AFFECTED (List all section number(s) individually. Attach additional sheet if needed.)

ADOPT

AMEND
40-105.4(g)(1),44-111.23,44-113.2,44-133.54(QR), 44-315.39(QR),89-201.513

REPEAL

TITLE(S)
MPP

3. TYPE OF FILING

- ☐ Regular Rulemaking (Gov. Code §11346)
- ☐ Resubmittal of disapproved or withdrawn nonemergency filing (Gov. Code §§11349.3, 11349.4)
- ☐ Emergency (Gov. Code, §11346.1(b))
- ☒ Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Gov. Code §§11346.2-11347.3 either before the emergency regulation was adopted or within the time period required by statute.
- ☐ Resubmittal of disapproved or withdrawn emergency filing (Gov. Code, §11346.1)
- ☐ Emergency Readopt (Gov. Code, §11346.1(h))
- ☐ File & Print
- ☐ Other (Specify) _____
- ☐ Changes Without Regulatory Effect (Cal. Code Regs., title 1, §100)
- ☐ Print Only

4. ALL BEGINNING AND ENDING DATES OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §44 and Gov. Code §11347.1)
N/A

5. EFFECTIVE DATE OF CHANGES (Gov. Code, §§ 11343.4, 11346.1(d); Cal. Code Regs., title 1, §100)

- ☐ Effective 30th day after filing with Secretary of State
- ☒ Effective on filing with Secretary of State
- ☐ §100 Changes Without Regulatory Effect
- ☐ Effective other (Specify) _____

6. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY

- ☒ Department of Finance (Form STD. 399) (SAM §6660)
- ☐ Fair Political Practices Commission
- ☐ State Fire Marshal
- ☐ Other (Specify) _____

7. CONTACT PERSON	TELEPHONE NUMBER	FAX NUMBER (Optional)	E-MAIL ADDRESS (Optional)
Zaid Dominguez, Manager, Office of Regulations	(916) 651-8267	(916) 654-3286	Zaid.Dominguez@dss.ca.gov

8. **I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.**

SIGNATURE OF AGENCY HEAD OR DESIGNEE

DATE
12/10/2012

TYPED NAME AND TITLE OF SIGNATORY
Pat Leary, Chief Deputy Director

For use by Office of Administrative Law (OAL) only

ENDORSED APPROVED

JAN 14 2013

Office of Administrative Law

STATE OF CALIFORNIA

NOTICE PUBLICATION/REGULATIONS SUBMISSION

STD. 400 (REV. 01-09) (REVERSE)

INSTRUCTIONS FOR PUBLICATION OF NOTICE AND SUBMISSION OF REGULATIONS

Use the form STD. 400 for submitting notices for publication and regulations for Office of Administrative Law (OAL) review.

ALL FILINGS

Enter the name of the agency with the rulemaking authority and agency's file number, if any.

NOTICES

Complete Part A when submitting a notice to OAL for publication in the California Regulatory Notice Register. Submit two (2) copies of the STD. 400 with four (4) copies of the notice and, if a notice of proposed regulatory action, one copy each of the complete text of the regulations and the statement of reasons. Upon receipt of the notice, OAL will place a number in the box marked "Notice File Number." If the notice is approved, OAL will return the STD. 400 with a copy of the notice and will check "Approved as Submitted" or "Approved as Modified." If the notice is disapproved or withdrawn, that will also be indicated in the space marked "Action on Proposed Notice." Please submit a new form STD. 400 when resubmitting the notice.

REGULATIONS

When submitting regulations to OAL for review, fill out STD. 400, Part B. Use the form that was previously submitted with the notice of proposed regulatory action which contains the "Notice File Number" assigned, or, if a new STD. 400 is used, please include the previously assigned number in the box marked "Notice File Number." In filling out Part B, be sure to complete the certification including the date signed, the title and typed name of the signatory. The following must be submitted when filing regulations: seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification) and the complete rulemaking file with index and sworn statement. (See Gov. Code § 11347.3 for rulemaking file contents.)

RESUBMITTAL OF DISAPPROVED OR WITHDRAWN REGULATIONS

When resubmitting previously disapproved or withdrawn regulations to OAL for review, use a new STD. 400 and fill out Part B, including the signed certification. Enter the OAL file number(s) of all previously disapproved or withdrawn filings in the box marked "All Previous Related OAL Regulatory Action Number(s)" (box lb. of Part B). Submit seven (7) copies of the regulation to OAL with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). Be sure to include an index, sworn statement, and (if returned to the agency) the complete rulemaking file. (See Gov. Code §§ 11349.4 and 11347.3 for more specific requirements.)

EMERGENCY REGULATIONS

Fill out only Part B, including the signed certification, and submit seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). (See Gov. Code §11346.1 for other requirements.)

NOTICE FOLLOWING EMERGENCY ACTION

When submitting a notice of proposed regulatory action after an emergency filing, use a new STD. 400 and complete Part A and insert the OAL file number(s) for the original emergency filing(s) in the box marked "All Previous Related OAL Regulatory Action Number(s)" (box 1b. of Part B). OAL will return the STD. 400 with the notice upon approval or disapproval. If the notice is disapproved, please fill out a new form when resubmitting for publication.

CERTIFICATE OF COMPLIANCE

When filing the certificate of compliance for emergency regulations, fill out Part B, including the signed certification, on the form that was previously submitted with the notice. If a new STD. 400 is used, fill in Part B including the signed certification, and enter the previously assigned notice file number in the box marked "Notice File Number" at the top of the form. The materials indicated in these instructions for "REGULATIONS" must also be submitted.

EMERGENCY REGULATIONS - READOPTION

When submitting previously approved emergency regulations for readoption, use a new STD. 400 and fill out Part B, including the signed certification, and insert the OAL file number(s) related to the original emergency filing in the box marked "All Previous Related OAL Regulatory Action Number (s)" (box 1b. of Part B).

CHANGES WITHOUT REGULATORY EFFECT

When submitting changes without regulatory effect pursuant to California Code of Regulations, Title 1, section 100, complete Part B, including marking the appropriate box in both B.3. and B.5.

ABBREVIATIONS

Cal. Code Regs. - California Code of Regulations
Gov. Code - Government Code
SAM - State Administrative Manual

For questions regarding this form or the procedure for filing notices or submitting regulations to OAL for review, please contact the Office of Administrative Law Reference Attorney at (916) 323-6815.

Amend Handbook Section 40-105.4(g)(1) to read:

.4 Immunization Requirements (Continued)

(g) Failure to Cooperate

If an applicant/recipient fails to submit timely verification of immunization of any child(ren) in the AU under the age of six (see Section 40-105.4(d)) and does not qualify for an exemption or have good cause (see Section 40-105.4(i)), the grant shall be reduced by the amount (MAP) allowed for the needs, as specified in Section 44-315.311, of the parent(s)/caretaker relative in the AU.

HANDBOOK BEGINS HERE

(1) Immunization Penalty Computations

Examples:

(A) An AU composed of a mother and her three children fails to submit verification of immunization and is not found to have good cause. The mother has total earned income of $525 per month and no disability-based unearned income. The AU is nonexempt and resides in Region 2.

Grant Computation - Single Penalty:

AU size remains four, but due to the penalty, use the MAP for three.

$ 525	Gross Earned Income
- 112	$112 Income Disregard
$ 413	Remaining Earned Income
- 206	50% Earned Income Disregard*
$ 206	Net Nonexempt Income*
$ 608	MAP for three (excluding the parent)
- 206	Total Net Nonexempt Income
$ 402	Aid Payment

* 50% Earned Income Disregard and Net Nonexempt Income must be rounded down to the nearest dollar amount: MPP Section 44-315.34.

(B) This same AU also fails to cooperate with the District Attorney's office in establishing paternity for child support.

Grant Computation - Double Penalty

$	525	Gross Earned Income
-	112	$112 Income Disregard
$	413	Remaining Earned Income
-	206	50% Earned Income Disregard*
$	206	Net Nonexempt Income
$	608	MAP for three (excludes the parent)
-	206	Total Net Nonexempt Income
$	402	Aid Payment with First Penalty Applied
-	100	25% of Aid Payment - Second Penalty for Failure to Cooperate with DA*
$	302	Aid Payment with Both Penalties Applied

* 50% Earned Income Disregard and Net Nonexempt Income must be rounded down to the nearest dollar amount: Welfare and Institutions Code Section 11017, MPP Section 44-315.34

HANDBOOK ENDS HERE

(h) (Continued)

Authority cited: Sections 10553, 10554, 10604, 11209, 11253.5, 11265.2, 11265.3, 11265.8, 11266, 11268, 11450.5, and 11486, Welfare and Institutions Code~~, SB 72 (Chapter 8, Statutes of 2011), Section 42~~.

Reference: Sections 10553, 10554, 10604, ~~11017~~, 11209, 11253.5, 11265.3, 11265.8, 11266, 11268, 11450, 11451.5, 11453, 11486, 13283, 14005.2, and 18945, Welfare and Institutions Code; Section 48200, Education Code; 45 CFR 205.42(d)(2)(v)(A) and (B), as printed in Federal Register, Vol. 57, No. 198, Tuesday, October 13, 1992, page 46808; 45 CFR 205.52(a)(1) and (2); 45 CFR 233.10(a)(1)(iv) and 235.112(b); 45 CFR 400.43; 7 CFR 273.16(b); 8 United States Code (USC) 1182(d)(5)(B); 42 U.S.C. 402(a)(6) and 616(b); and Section 301(a)(1)(A) and (B) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193): California's Temporary Assistance for Needy Families State Plan dated October 9, 1996 and effective November 26, 1996; The Trafficking Victims Protection Act of 2000 (P.L. 106-386), Sections 107(b)(1)(A), (B), and (C); The Trafficking Victims Protection Reauthorization Act of 2003 (Public Law 108-193).

Amend Section 44-111.23 to read:

44-111 PAYMENTS EXCLUDED OR EXEMPT FROM CONSIDERATION AS INCOME (Continued) 44-111

.2 Exemption of Earned Income (Continued)

.23 $225/112 and 50% Disregards

.231 A family shall have $225 of disability-based unearned income and up to $112 of any earned income and 50% of any remaining earned income disregarded as income. These disregards are applied as follows and subject to the method outlined in Section 44-113.2. If the disability-based unearned income is:

(a) Greater than $225, the difference is added to any other nonexempt income.

(b) Less than $225, up to $112 of the remaining disregard is subtracted from any earned income.

(c) Zero, $112 is applied against any earned income.

Authority cited: Sections 10553 and 10554, Welfare and Institutions Code~~, SB 72 (Chapter 8, Statutes of 2011), Section 42~~.

Reference: Sections 10553, 10554, 11008.15, 11265.2, 11280, 11322.6(f)(3), 11157, 11450.5, 11450.12, 11451.5, and 11451.7, Welfare and Institutions Code; 42 USC Section 602(g)(1)(E)(i); Section 8, Public Law 93-134; Section 2, Public Law 98-64; Section 13736, Public Law 103-66; Section 1, Public Law 100-286, Section 202(a), Public Law 100-485 and 20 USC 1087uu; 45 CFR 233.20(a)(3)(iv)(B), (a)(3)(xxi), 45 CFR 233.20(a)(4)(ii); (a)(4)(ii)(d); 45 CFR 233.20(a)(4)(ii)(p) and (q); 45 CFR 233.20(a)(11)(v)(C); 45 CFR 255.3(f)(1); 45 CFR 400.66; 45 CFR 401.12; Federal Action Transmittals ACF-AT-94-27 and 94-4 and FSA-IM-89-1; 45 CFR 233.20(a)(1)(ii); 45 CFR 233.20(a)(3)(x); and *Cadaret v. Wagner* (Super. Ct. Sacramento County, 2011, No. 34-2009-80000302, Stipulation for Settlement and Order).

Amend Section 44-113.2 to read:

.2 Earnings

.21 Computation of Net Nonexempt Earned Income for CalWORKs (Continued)

215 Section 44-113.215(MR) shall become inoperative and Section 44-113.215(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.

(QR) Apply up to $112 of the remainder of the $225 disability-based unearned income disregard to the reasonably anticipated total monthly earned income for the family as determined in Section 44-113.213(QR). (Continued)

HANDBOOK BEGINS HERE

.22 Section 44-113.22(MR) shall become inoperative and Section 44-113.22(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration. (Continued)

(QR) Net Nonexempt Income Computation

Example 1

A nonexempt AU of three (a parent and two children) has gross monthly earned income of $775 per month, with no other income. The monthly income is reasonably anticipated to continue at the same amount for the QR Payment Quarter. The family lives in Region 1.

$ 775	Earned Income
- 112	$112 Earned Income Disregard
$ 663	Subtotal
- 331	50% Earned Income Disregard*
$ 331	Total Net Nonexempt Income*

* 50% Earned Income Disregard and Net Nonexempt Income must be rounded down to the nearest dollar amount: MPP 44315.34.

HANDBOOK ENDS HERE

Authority cited: Sections 10553 and 10554, Welfare and Institutions Code~~, SB 72 (Chapter 8, Statutes of 2011), Section 42~~).

Reference: Sections 10063, 10553, 10554, 10790, 10791, 11008, 11008.19, ~~11017~~, 11155.3, 11157, 11265.1, 11265.2, 11265.3, 11450, 11450.5, 11450.12, and 11451.5, 11453, Welfare and Institutions Code; 45 CFR 233.10; 45 CFR 233.20(a)(3)(ii)(C); 45 CFR 233.20(a)(3)(vi)(A); 45 CFR 233.20(a)(6)(v)(B); 45 CFR 255.3; 45 CFR 233.20(a)(3)(iv)(B); 45 CFR 233.20(a)(3)(xxi); 45 CFR 233.20(a)(4)(ii)(d); 45 CFR 233.20(a)(4)(ii)(p); Darces v. Woods (1984) 35 Cal. 3d 871; and Ortega v. Anderson, Case No. 746632-0 (Alameda Superior Court) July 11, 1995.

Amend Handbook Section 44-133.54 (QR) to read:

.5 Income and Needs in Cases in Which a Person is Excluded (Continued)

HANDBOOK BEGINS HERE

.54 The following examples are provided to illustrate how to determine financial eligibility for the family in accordance with Sections 44-207.1 and .2 and the aid payment computation in accordance with Section 44-315. (Continued)

(QR) Example 2: Family with Ineligible Non-Citizen Members and Stepparent with No Income

Mother of two children has earnings of $600 per month and the income is reasonably anticipated to continue at this amount for the QR Payment Quarter. One of the children is her citizen child and the other is her ineligible non-citizen child with deprivation. Mother receives direct child support in the amount of $85 per month for the ineligible non-citizen child. Also in the home is the ineligible non-citizen spouse of the mother. The spouse does not have any income. The family lives in Region 1 and does not have exempt status.

Applicant Eligibility Determination

$ 600	Actual Earned Income of Mother
- 90	Applicant Earned Income Disregard
$ 510	Subtotal
+ 85	Unearned Income of Ineligible Non-Citizen Child
$ 595	Total Net Nonexempt Income
$ 595	Total NNI is less than the $1,347 Region 1 Nonexempt Family MBSAC for four, family passes applicant test.

Recipient Financial Eligibility Test

$ 600	Monthly Earned Income of Mother
- 112	$112 Earned Income Disregard
$ 488	Subtotal
- 244	50% Earned Income Disregard
$ 244	Net Nonexempt Earned Income
+ 85	Unearned Income of Ineligible Non-Citizen Child
$ 329	Total Net Nonexempt Income (rounded down)
$ 329	Total NNI is less than $762 Region 1, Nonexempt Family MAP for four, family passes recipient financial eligibility test.

Grant Computation

$	762	Region 1, Nonexempt Family MAP for Four
-	329	Total Net Nonexempt Income
$	433	Potential Grant
$	516	MAP for AU of Two (includes mother and citizen child)
$	433	Aid Payment is the Lesser of the Potential Grant or MAP for the AU (Continued)

(QR) Example 3: Family with Ineligible Non-citizen AU Members and Stepparent with Income and Excluded Dependents

Recipient mother receives aid for herself and one child. The mother has earnings of $600 per month that is reasonably anticipated to continue at the same amount during the QR Payment Quarter. Also living in the home are: 1) the ineligible non-citizen spouse of the aided parent; 2) the aided mother's ineligible non-citizen child in common with no deprivation; 3) the aided mother's citizen child in common who has no deprivation; and 4) a separate ineligible non-citizen child of the spouse. The spouse has $375 per month earned income that is reasonably anticipated to continue at the same level during the QR Payment Quarter. The family is nonexempt and lives in Region 1.

Eligibility/Grant Computation

Step 1	$ 975	Family's Monthly Earned Income
	- 112	$112 Income Disregard
	$ 863	Subtotal
	- 431	50% Earned Income Disregard*
	$ 431	Net Earned Income
	$ 431	Total Family Net Nonexempt Income*
Step 2	$ 972	Family MAP for Six (All excluded dependents of the stepparent are included, regardless of deprivation since the stepparent's income is used.)
	- 431	Total Family Net Nonexempt Income
	$ 541	Potential Grant
Step 3	$ 516	AU MAP for Two
	$ 541	Potential Grant
	$ 516	Aid Payment (lesser of AU MAP or potential grant)

* 50% Earned Income Disregard and Net Nonexempt Income must be rounded down to the nearest dollar amount: MPP Section 44-315.34.

HANDBOOK ENDS HERE

.55 (Continued)

Authority cited: Sections 10553, 10554, 10604, and 11369, Welfare and Institutions Code~~, SB 72 (Chapter 8, Statutes of 2011), Section 42~~.

Reference: Sections 10063, 10553, 10554, 10604, 11008.14, 11017, 11254, 11320.15, 11450, 11451.5, 11452, 11453, 11486, 18937, 18940, and 11371, Welfare and Institutions Code; 45 CFR 205.50(a)(1)(i)(A); 45 CFR 233.20(a)(1)(i); 45 CFR 233.20(a)(3)(ii)(C), (a)(3)(vi)(B), (a)(3)(xiv), (a)(3)(xiv)(B), and (xviii); 45 CFR 233.50(A)(c); and 45 CFR 233.90(c)(2)(i); Family Support Administration Action Transmittal 91-15 (FSA-AT-91-15), dated April 23, 1991; and Omnibus Budget Reconciliation Act (OBRA) of 1990; U.S. Department of Health and Human Services Federal Action Transmittal No. FSA-AT-91-4 dated February 25, 1991; Simpson v. Hegstrom, 873 F.2d 1294 (1989); Ortega v. Anderson, Case No. 746632-0 (Alameda Superior Court) July 11, 1995; and Federal Register, Vol. 58, No. 182, pages 49218 - 20, dated September 22, 1993; 8 U.S.C. 1631; and 42 U.S.C. 602(a)(39).

Amend Handbook Section 44-315.39 (QR) to read:

.3 Amount of Grant (Continued)

HANDBOOK BEGINS HERE

.39 Computation Examples — Handbook Section 44-315.39(MR) shall become inoperative and Handbook Section 44-315.39(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.

(QR) Computation of Monthly Grant Amount for the QR Payment Quarter when the AU's Income Reported for the QR Data Month is Expected to Continue for Each Month of the QR Payment Quarter

Example 1:

A nonexempt family of four (a pregnant mom, stepfather (father of the unborn) and her two separate children) are in a July, August, and September Quarter. The stepfather has gross earned income of $775 per month, with no other income and no reasonably anticipated changes in income for the QR Payment Quarter. The stepfather chooses to be excluded from the AU until the child in common is born. The family lives in Region 1.

$ 775	Reasonably Anticipated Monthly Earned Income for the Family
- 112	$112 Income Disregard
$ 663	Subtotal
- 331	50% Earned Income Disregard*
$ 331	Total Net Nonexempt Income*
$ 762	"Family" MAP for Four (mother, stepfather and two children) Region 1
+ 47	Special Needs for AU (third trimester of pregnancy)
$ 809	Total (MAP plus special needs)
- 331	Net Nonexempt Income
$ 478	Potential Grant
$ 638	Nonexempt AU MAP for Three (Region 1)
+ 47	Special Needs for AU
$ 685	Total MAP plus Special Needs
$ 478	Actual Grant Amount (lesser of potential grant or AU MAP plus special needs)

* 50% Earned Income Disregard and Net Nonexempt Income must be rounded down to the nearest dollar amount: MPP Section 44-315.34 (Continued)

(QR) Computation of Monthly Grant Amount for the QR Payment Quarter when the AU's Income Reported for the QR Data Month is Expected to Differ for One or More Months of the QR Payment Quarter.

Example 2:

A Region 1 nonexempt AU of four is in the October/November/December quarter. Mother submits the QR 7 for November to the county on December 10. On the QR 7, she reports that she started a part-time job in December that will only last until the end of January, when the holiday shopping season has ended. She reports that she will get paid $900 in January and $800 in February. One child is also receiving SSA disability benefits of $100 per month based on an absent father's disability. SSA disability benefits are considered disability based unearned income (DBI).

Benefits for the January/February/ March quarter are computed based on the income the AU reasonably anticipates it will receive during that quarter as follows:

$ 100	Monthly DBI
$ 900	Reasonably Anticipated Earned Income for January
800	Reasonably Anticipated Earned Income for February
+ 0	Reasonably Anticipated Earned Income for March
$1700	Subtotal Reasonably Anticipated Earned Income for Quarter
$ 566	Reasonably Anticipated Earned Income Divided by the Number of Months in the QR Payment Quarter 1700/3 = (averaged monthly earnings)*
$ 100	Reasonably Anticipated Monthly DBI Income
- 225	Less DBI Disregard
0	Net DBI Income
- $125	Remainder of $225 DBI Disregard
$ 566	Reasonably Anticipated Monthly Earned Income*
- 112	Less remainder of $225/112 Income Disregard
$ 454	Subtotal*
- 227	Less 50% Earned Income Disregard*
$ 227	NNI*
$ 762	MAP for AU of Four
- 227	Less NNI
$ 535	New Monthly Grant for the QR Payment Quarter

* 50% Earned Income Disregard and Net Nonexempt Income must be rounded down to the nearest dollar amount: MPP Section 44-315.34 (Continued)

(QR) Mid-Quarter Changes to Cash Aid

Example 3:

A Region 1 nonexempt AU of three (mother and two children) is in the October, November, and December quarter. On her previous QR 7 received in September, (QR Data Month for the previous quarter was August), mother reported her earned income to be $600 and that she expected no changes for the next QR Payment Quarter.

$ 600	Reasonably Anticipated Monthly Income for the Family
- 112	$112 Earned Income Disregard
$ 488	Subtotal
- 244	50% Earned Income Disregard
$ 244	Total Net Nonexempt Income [Rounded down]

$ 638	Non-exempt MAP for Three, Region 1
- 244	Less Net Nonexempt Income
$ 394	AU Monthly Grant for the QR Payment Quarter

On October 25, the mother voluntarily reports that the father, with no income, moved into the home on October 24. The father is determined eligible and is reasonably anticipated to have monthly income of $200 for November and $100 for December.

The Mid-Quarter Grant Calculation for the Remaining Months of the Quarter Would Be:

$ 200	Father's Reasonably Anticipated Earned Income for November
+ 100	Father's Reasonably Anticipated Earned Income for December
$ 300	Subtotal Reasonably Anticipated Earned Income for the Remainder of the Payment Quarter
$ 150	Father's Earned Income Divided by the Remaining Months of the QR Payment Quarter $300/2 = $150 (reasonably anticipated monthly income)
$ 600	Existing AU's Previously Determined Reasonably Anticipated Monthly Earned Income (not recalculated)
+ 150	Father's Reasonably Anticipated Earned Monthly Income
$ 750	Total Net Nonexempt Income for the Potential AU
- 112	$112 Earned Income Disregard
$ 638	Subtotal
- 319	50% Earned Income Disregard
$ 319	Total Net Nonexempt Averaged Income

$ 762	Non-exempt MAP for Four, Region 1(includes eligible father)
- 319	Less Net Nonexempt Income
$ 443	AU Monthly Grant Payment for the Remaining Months of the QR Payment Quarter

Father is added to the existing AU effective November 1 since his addition to the AU will increase the cash aid. A supplement of $49 is issued to the AU for November and the grant is increased to $443 for the month of December.

HANDBOOK ENDS HERE

.4 Special Needs (Continued)

Authority cited: Sections 10553, 10554, 11209, 11450, 11450(g), 11450.018(a) and (b), 11452.018(a), and 11453, Welfare and Institutions Code~~, SB 72 (Chapter 8, Statutes of 2011), Section 42~~.

Reference: Sections 10553, 10554, 11004, 11017, 11209, 11253.5(d) and (e), 11254, 11265.2, 11265.3, 11265.8(a), 11323.4, 11450, 11450(g), 11450.01, 11450.015, 11450.018(a) and (b), 11451.018(a), 11450.03, 11450.5, 11451.5, 11452, 11453, and 11453(a), Welfare and Institutions Code.

Amend Handbook Section 89-201.513 to read:

89-201 MINOR PARENT REQUIREMENT (Continued) 89-201

.5 Senior Parent Income (Continued)

.51 Senior Parent/Minor Parent Eligibility and Grant Amount (Continued)

.513 Grant Amount (Continued)

HANDBOOK BEGINS HERE

(a) Handbook Section 89-201.513(a)(MR) shall become inoperative and Handbook Section 89-201.513(a)(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration. (Continued)

(QR) Example: Eligible Minor Parent in own AU

The persons residing together are the senior parent, her minor daughter (minor parent) and her minor daughter's child. The senior parent is not in the AU. The senior parent earns $1,025 per month. The minor parent has no income. The family resides in Region 1 and is nonexempt.

The eligibility/grant computation is as follows:

$1,025	Reasonably Anticipated Family Earned Income
- 112	$112 Earned Income Disregard
$ 913	
- 456	50% Earned Income Disregard*
$ 456	Average Net Nonexempt Income*
$ 638	MAP for an AU of Three
- 456	Total Averaged Net Nonexempt Income
$ 182	Potential Grant
$ 516	MAP for an AU of Two
$ 182	Actual Grant Amount (lesser of potential grant or AU MAP)

* 50% Earned Income Disregard and Net Nonexempt Income must be rounded down to the nearest dollar amount: MPP Section 44-315.34

(b) Handbook Section 89-201.513(b)(MR) shall become inoperative and Handbook Section 89-201.513(b)(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration. (Continued)

(QR) Example: Eligible Minor Parent in AU of Senior Parent(s)

Minor parent lives with both her parents. The senior parents are in the AU with the minor parent and the minor's child. One senior parent earns $900 per month. The other senior parent earns $400 per month and receives $125 in State Disability Insurance benefits. The minor parent has no income. The AU is nonexempt and resides in Region 1.

The eligibility/grant computation is as follows:

$ 125	Reasonably Anticipated Monthly Disability-Based Unearned Income
- 225	$225 Disability-Based Unearned Income (DBI) Disregard
0	Net Disability-Based Unearned Income
$ 100	Remainder of $225 DBI Disregard
$1,300	Reasonably Anticipated Monthly Family Earned Income
- 100	Remainder of $225 DBI Disregard
$1,200	
- 600	50% Earned Income Disregard
$ 600	Averaged Net Nonexempt Earned Income
+ 0	Other Nonexempt Unearned Income
$ 600	Total Net Nonexempt Income
$ 762	MAP for an AU of Four
- 600	Net Nonexempt Income
$ 162	Grant Amount

HANDBOOK ENDS HERE

.6 (Continued)

Authority cited: Sections 10553 and 10554, Welfare and Institutions Code~~, SB 72 (Chapter 8, Statutes of 2011), Section 42~~.

Reference: Sections 11008.14, 11017, 11254 (Ch. 1022, Stats. 2002), 11450, 11451.5, 11453, and 16506(d), Welfare and Institutions Code; 42 USCA 608(a)(5).

STATE OF CALIFORNIA--OFFICE OF ADMINISTRATIVE LAW

NOTICE PUBLICATION/REGULATIONS SUBMISSION

CERT

(See instructions on reverse)

For use by Secretary of State only

ORIGINAL

FILED

In the office of the Secretary of State of the State of California

JAN 16 2013

At 1:44 O'Clock P M.

DEBRA BOWEN, Secretary of State

By _____ Deputy Secretary of State

STD. 400 (REV. 01-09)

OAL FILE NUMBERS	NOTICE FILE NUMBER	REGULATORY ACTION NUMBER	EMERGENCY NUMBER
	Z-2012-0627-02	2012 * 1224 02C	

For use by Office of Administrative Law (OAL) only

2012 DEC 24 AM 11:48

OFFICE OF ADMINISTRATIVE LAW

NOTICE | REGULATIONS

AGENCY WITH RULEMAKING AUTHORITY
California Department of Social Services

AGENCY FILE NUMBER (If any)
ORD# 0412-03

A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. SUBJECT OF NOTICE	TITLE(S)	FIRST SECTION AFFECTED	2. REQUESTED PUBLICATION DATE

3. NOTICE TYPE	4. AGENCY CONTACT PERSON	TELEPHONE NUMBER	FAX NUMBER (Optional)
☐ Notice re Proposed Regulatory Action ☐ Other			

OAL USE ONLY	ACTION ON PROPOSED NOTICE	NOTICE REGISTER NUMBER	PUBLICATION DATE
	☐ Approved as Submitted ☐ Approved as Modified ☐ Disapproved/ Withdrawn	2012, 28-Z	7-13-2012

B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

1a. SUBJECT OF REGULATION(S)	1b. ALL PREVIOUS RELATED OAL REGULATORY ACTION NUMBER(S)
CalWORKs 48 Month Time Limit, Good Cause Exemption & Short Term Change	2012-0619-03EFP

2. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) **(Including title 26, if toxics related)**

SECTION(S) AFFECTED (List all section number(s) individually. Attach additional sheet if needed.)	
	ADOPT
	AMEND: 40-107, 42-301, 42-302, 42-431, 42-712, 42-713, 42-721, 44-133, 44-307, 44-316, and 82-833.
TITLE(S): MPP	REPEAL

3. TYPE OF FILING

- ☐ Regular Rulemaking (Gov. Code §11346)
- ☐ Resubmittal of disapproved or withdrawn nonemergency filing (Gov. Code §§11349.3, 11349.4)
- ☐ Emergency (Gov. Code, §11346.1(b))
- ☒ Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Gov. Code §§11346.2-11347.3 either before the emergency regulation was adopted or within the time period required by statute.
- ☐ Resubmittal of disapproved or withdrawn emergency filing (Gov. Code, §11346.1)
- ☐ Emergency Readopt (Gov. Code, §11346.1(h))
- ☐ File & Print
- ☐ Other (Specify) _____
- ☐ Changes Without Regulatory Effect (Cal. Code Regs., title 1, §100)
- ☐ Print Only

4. ALL BEGINNING AND ENDING DATES OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §44 and Gov. Code §11347.1)
November 2, 2012 to November 17, 2012

5. EFFECTIVE DATE OF CHANGES (Gov. Code, §§ 11343.4, 11346.1(d); Cal. Code Regs., title 1, §100)

- ☐ Effective 30th day after filing with Secretary of State
- ☒ Effective on filing with Secretary of State
- ☐ §100 Changes Without Regulatory Effect
- ☐ Effective other (Specify) _____

6. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY

- ☒ Department of Finance (Form STD. 399) (SAM §6660)
- ☐ Fair Political Practices Commission
- ☐ State Fire Marshal
- ☐ Other (Specify) _____

7. CONTACT PERSON	TELEPHONE NUMBER	FAX NUMBER (Optional)	E-MAIL ADDRESS (Optional)
Zaid Dominguez	916-657-2586	916-654-3286	Zaid.Dominguez@dss.ca.gov

8. **I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.**

SIGNATURE OF AGENCY HEAD OR DESIGNEE: Will Lightbourne

DATE: 12/20/2012

TYPED NAME AND TITLE OF SIGNATORY
Will Lightbourne, Director

For use by Office of Administrative Law (OAL) only

ENDORSED APPROVED

JAN 16 2013

Office of Administrative Law

STATE OF CALIFORNIA

NOTICE PUBLICATION/REGULATIONS SUBMISSION

STD. 400 (REV. 01-09) (REVERSE)

INSTRUCTIONS FOR PUBLICATION OF NOTICE AND SUBMISSION OF REGULATIONS

Use the form STD. 400 for submitting notices for publication and regulations for Office of Administrative Law (OAL) review.

ALL FILINGS
Enter the name of the agency with the rulemaking authority and agency's file number, if any.

NOTICES
Complete Part A when submitting a notice to OAL for publication in the California Regulatory Notice Register. Submit two (2) copies of the STD. 400 with four (4) copies of the notice and, if a notice of proposed regulatory action, one copy each of the complete text of the regulations and the statement of reasons. Upon receipt of the notice, OAL will place a number in the box marked "Notice File Number." If the notice is approved, OAL will return the STD. 400 with a copy of the notice and will check "Approved as Submitted" or "Approved as Modified." If the notice is disapproved or withdrawn, that will also be indicated in the space marked "Action on Proposed Notice." Please submit a new form STD. 400 when resubmitting the notice.

REGULATIONS
When submitting regulations to OAL for review, fill out STD. 400, Part B. Use the form that was previously submitted with the notice of proposed regulatory action which contains the "Notice File Number" assigned, or, if a new STD. 400 is used, please include the previously assigned number in the box marked "Notice File Number." In filling out Part B, be sure to complete the certification including the date signed, the title and typed name of the signatory. The following must be submitted when filing regulations: seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification) and the complete rulemaking file with index and sworn statement. (See Gov. Code § 11347.3 for rulemaking file contents.)

RESUBMITTAL OF DISAPPROVED OR WITHDRAWN REGULATIONS
When resubmitting previously disapproved or withdrawn regulations to OAL for review, use a new STD. 400 and fill out Part B, including the signed certification. Enter the OAL file number(s) of all previously disapproved or withdrawn filings in the box marked "All Previous Related OAL Regulatory Action Number(s)" (box 1b. of Part B). Submit seven (7) copies of the regulation to OAL with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). Be sure to include an index, sworn statement, and (if returned to the agency) the complete rulemaking file. (See Gov. Code §§ 11349.4 and 11347.3 for more specific requirements.)

EMERGENCY REGULATIONS
Fill out only Part B, including the signed certification, and submit seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). (See Gov. Code §11346.1 for other requirements.)

NOTICE FOLLOWING EMERGENCY ACTION
When submitting a notice of proposed regulatory action after an emergency filing, use a new STD. 400 and complete Part A and insert the OAL file number(s) for the original emergency filing(s) in the box marked "All Previous Related OAL Regulatory Action Number(s)" (box 1b. of Part B). OAL will return the STD. 400 with the notice upon approval or disapproval. If the notice is disapproved, please fill out a new form when resubmitting for publication.

CERTIFICATE OF COMPLIANCE
When filing the certificate of compliance for emergency regulations, fill out Part B, including the signed certification, on the form that was previously submitted with the notice. If a new STD. 400 is used, fill in Part B including the signed certification, and enter the previously assigned notice file number in the box marked "Notice File Number" at the top of the form. The materials indicated in these instructions for "REGULATIONS" must also be submitted.

EMERGENCY REGULATIONS - READOPTION
When submitting previously approved emergency regulations for readoption, use a new STD. 400 and fill out Part B, including the signed certification, and insert the OAL file number(s) related to the original emergency filing in the box marked "All Previous Related OAL Regulatory Action Number (s)" (box 1b. of Part B).

CHANGES WITHOUT REGULATORY EFFECT
When submitting changes without regulatory effect pursuant to California Code of Regulations, Title 1, section 100, complete Part B, including marking the appropriate box in both B.3. and B.5.

ABBREVIATIONS
Cal. Code Regs. - California Code of Regulations
Gov. Code - Government Code
SAM - State Administrative Manual

For questions regarding this form or the procedure for filing notices or submitting regulations to OAL for review, please contact the Office of Administrative Law Reference Attorney at (916) 323-6815.

Amend Section 40-107 to read:

40-107 COUNTY RESPONSIBILITY 40-107

(a) Assisting the Applicant (Continued)

(4) The CWD shall provide the individual, in writing and orally as necessary, a description of the -month time limit requirements, including the exemptions from the time limit, as provided in Sections 42-302.11 and 42-302.21 and the process by which recipients can claim the exemptions, as provided in MPP Section 42-302.3. The description of the 48-month time limit requirements shall be provided at the time an individual applies for aid, at the time a recipient's eligibility for aid is redetermined, and any other time a notice of action establishing time on aid pursuant to this section is provided. In addition, counties are required to provide information on the number of months an applicant, recipient, or former recipient received aid as follows: (Continued)

(C) The recipient shall be informed, in writing, **each and every time he or she is** at the 42nd countable month on aid by using one of the following two methods: (Continued)

(D) Each recipient shall be informed by a notice of action provided in one **of the** month**s falling** during the period of the recipient's 42nd through 46th countable months on aid. (Continued)

(F) (Continued)

2. The specific months that were exempt from the 48-month time limit since the most recent notification (pursuant to MPP Sections 40-107(a)(4)(A), 40-107(a)(4)(B), 40-107(a)(4)(C)1. or 40-107(a)(4)(D), (Continued)

(G) The recipient shall be informed by a notice of action at the 48th countable month on aid. The notice shall include: (Continued)

2. Notification of the reduction in the grant amount due to the expiration of the CalWORKs 48-month time limit or notification that the recipient will continue to receive aid beyond the 48-month time limit based upon the criteria for exceptions as provided in MPP Section 42-302.11.

(H) After the 48-month time limit notice of action, an adult who has reached the CalWORKs 48-month time limit and whose children remain on aid, shall be informed by notice of action pursuant to MPP Section 40-107(a)(4)(B) when child support or overpayment recoupment reimburses any month(s) on aid. (See MPP Section 42-302.21(g) for reimbursement of aid through child

support recoupment and MPP Section 42-302.2 for overpayment months that are repaid.) (Continued)

(I) After the 48-month time limit notice of action, an adult who has reached the CalWORKs 48-month time limit and whose children are no longer aided, shall be informed pursuant to MPP Sections 40-107(a)(4)(A) and (a)(4)(F). (Continued)

(5) (Continued)

HANDBOOK BEGINS HERE

(B) Months of assistance provided by TANF funds shall be reported to the other state. Assistance provided by California in its Segregated State Program for Legal Immigrants is not subject to the federal TANF 48-month time limit. Individuals who received aid provided by the state-only programs do not accrue months of assistance toward the federal TANF 48-month time limit and therefore, the months of aid shall not be reported to the other state.

(C) Months that are exempt from the federal TANF 48-month time limit and months that are excluded from the federal definition of assistance and the federal regulations shall not be included in the cumulative number of months of assistance that is reported to the other state.

HANDBOOK ENDS HERE

.6 (Continued)

Authority cited: Sections 10553, 10554, and 10604, Welfare and Institutions Code~~; SB 72 (Chapter 8, Statute of 2011), Section 42~~.

Reference: Sections 10613, 11209, 11265.1, 11268, 11322.5, 11323.3, 11324.8(a), (b) and (c), 11454, 11454(b) and (e), 11454.2, 11495.1, and 11500, Welfare and Institutions Code; Section 37 of AB 444; 42 USC Sections 608(a)(7), 45 CFR 205.42(d)(2)(v)(A) and (B) as printed in Federal Register, Vol. 57, No. 198, Tuesday, October 13, 1992, page 46808; 45 CFR 205.52(a)(1) and (2); 45 CFR 205.55; and California Department of Health Services Manual Letter 77-1.

Amend Section 42-301 to read:

.1	Time Limits	Effective July 1, 2011, there shall be a 48-month time limits on the receipt of aid in California for certain adults as specified in Section 42-302.1. Prior to this date, there was a 60-month time limit on the receipt of aid for certain adults.
.2	Ineligible Due to Time Limits	Adults who are ineligible for aid based on the 48-month time limit provisions, specified in Section 42-302, shall be removed from the AU. See MPP Sections 44-133.8 and 82-833.1 for additional regulations pertaining to timed-out adults.

Authority cited: Sections 10553 and 10554, Welfare and Institutions Code~~; SB 72 (Chapter 8, Statute of 2011), Section 42~~.

Reference: Sections 11450, 11454(a), (b), and (c), and 11454.2, Welfare and Institutions Code.

Amend Section 42-302 to read:

42-302 48-MONTH TIME LIMIT REQUIREMENTS FOR ADULTS 42-302

.1 48-Month Time Limit

Except as specified in Section 42-302.11, no individual shall be eligible for aid when that individual has received aid as an adult, 18 years of age or older, for a cumulative total of 48 months. The 48-month time limit applies to aid received under CalWORKs. The 48-month time limit also applies to any aid received under another state's program funded by the federal Temporary Assistance to Needy Families (TANF) Program since January 1, 1998. The 48-month time limit shall not apply to children.

.11 Exceptions

When an individual has been aided as an adult for 48 months, additional months of aid may be provided to that adult when all parents, aided stepparents, and/or caretaker relatives residing in the home of the aided child(ren) meet any of the following conditions: (Continued)

.114 (Continued)

(b) (Continued)

(1) For purposes of this section, an individual who is fully participating in her/his welfare-to-work assignment upon reaching the 48-month time limit shall be considered able to maintain employment or participation unless the individual's required welfare-to-work activity has been modified in accordance with MPP Section 42-302.114(b)(2)(B).

(A) (Continued)

HANDBOOK BEGINS HERE

Example of an individual who is able to maintain employment and is participating for less than the required 32 or 35 hours per week: Due to a business slowdown, a recipient, who has received 46 countable months of aid, had her

hours of unsubsidized employment reduced from 38 hours to 25 hours per week. Another appropriate welfare-to-work activity including, but not limited to job search, that would allow her to meet the 32 or 35 hour per week participation requirement and is consistent with her plan, does not become available before the recipient reaches her 48-month time limit. Although the recipient is not participating for the required number of hours, she is not subject to sanction and is considered able to maintain employment.

Example of an individual who may be considered incapable of work and is participating for the required 32 or 35 hours per week through a modification of her/his welfare-to-work activities:

A recipient has a documented physical impairment, chronic back pain following surgical treatment for a back injury, and history of substance abuse. Upon reaching her 48-month time limit, the recipient's welfare-to-work participation consists of substance abuse treatment, pain management classes, and community service as a clerical assistant.

HANDBOOK ENDS HERE

(2) (Continued)

.12 Domestic Abuse

When an individual has been aided as an adult for 48 months, aid may continue for that adult when the individual is a victim of domestic abuse and the county has determined that good cause exists for waiving the 48-month time limit. See Section 42-713.22.

.2 Counting the 48-Month Limit

Section 42-302.2(MR) shall become inoperative and Section 42-302.2(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.

(MR) Any month or partial month in which an adult is included in an AU that receives a cash grant, including Reduced Income Supplemental Payments (Section 44-400) and Special Needs, (Section 44-211), shall count for the purposes of the 48-month time limit, except as provided in Sections 42-302.21 (Exempt Months) and 42-302.22 (Diversion Count).

(MR) Any overpayment month, (an entire month of aid in which the recipient was not entitled to cash aid), that is fully repaid shall not count for the purposes of the 48-month time limit.

(QR) Counting the 48-Month Limit Any month or partial month in which an adult is included in an AU that receives a cash grant, including Special Needs (see Section 44-211), shall count for the purposes of the 48-month time limit, except as provided in Sections 42-302.21 (Exempt Months) and 42-302.22 (Diversion Count).

(QR) Any overpayment month, (an entire month of aid in which the recipient was not entitled to cash aid), that is fully repaid shall not count for the purposes of the 48-month time limit.

.21 Exempt Months Any month in which any of the following conditions exist for any period during the month shall not count toward the 48-month limit as specified: (Continued)

(b) Providing Care (Continued)

(3) Being the parent or other relative who has primary responsibility for personally providing care to one child who is from 12 to 23 months of age, inclusive, or two or more children who are under six years of age. This paragraph shall become inoperative on July 1, 2012.

(c) Domestic Abuse The individual is a victim of domestic abuse and the county has determined that good cause exists for waiving the 48-month time limit. See Section 42-713.22. (Continued)

(g) Aid is Reimbursed (Continued)

(1) Process for Reimbursement of Months of Aid Exemption (Continued)

(C) Each month of aid that is fully reimbursed by child support shall be exempt and not counted toward the CalWORKs 48-month time limit of parents, aided stepparents, and/or aided caretaker relatives residing in the home of the child(ren.) (Continued)

(k) Lack of Necessary Supportive Services The individual is excused from participation for good cause due to lack of necessary supportive services, as specified in Section 42-713.21. This paragraph shall become inoperative on July 1, 2012.

.22 Diversion Count Diversion payments as set forth in Section 81-215 count toward the 48-month time limit unless they are recouped as provided in Section 42-302.223(a) or unless part or all of the diversion period is exempt as provided in Section 42-302.21 et seq. Count the months as follows:

.221 Diversion Payment Month The month in which a lump sum diversion payment is made counts as one month toward the 48-month time limit unless the diversion recipient applies for CalWORKs cash aid during the diversion period, as specified in Section 81-215.41, and is determined to be eligible for CalWORKs. In that case, the diversion payment is treated in accordance with Section 42-302.223.

HANDBOOK BEGINS HERE

.222 A recipient receives a diversion lump sum payment of $1,800 in March. The month of March counts toward the 48-month time limit. The recipient's Region 2, Non-Exempt MAP amount is $538. This results in a diversion period of three months for the months of March, April, and May. The recipient does not apply for CalWORKs cash aid during the diversion period.

The recipient reapplies in September and receives another diversion payment of $800 in September. The months of March and September both apply toward the 48-month time limit. (Continued)

HANDBOOK ENDS HERE

.223 Reapplies for CalWORKs During Diversion Period (Continued)

(b) Count the diversion payment toward the 48-month time limit.

(1) The number of months counted toward the 48-month time limit is calculated by dividing the total diversion payment by the MAP for the apparently eligible AU at the time the diversion payment was made. The month(s) resulting from this calculation, less any partial month, is (are) counted toward the 48-month limit. Do not count the initial month (as counted pursuant to Section 42-302.221) twice.

HANDBOOK BEGINS HERE

.224 A recipient with a Region 2, Non-Exempt MAP of $538 received a lump sum diversion payment in the amount of $1,800 in March. The recipient returns to the county in May (within the diversion period), is determined eligible for CalWORKs cash aid, and opts not to have the $1,800 diversion payment recouped from the CalWORKs cash aid. The diversion payment equates to 3.3 months of aid. The partial month is dropped, and the recipient has a total of three months (March, April, and May) counted toward the 48-month time limit.

.225 A recipient with a Region 2, Non-Exempt MAP of $538 receives a diversion lump sum payment of $100 on March 2. The recipient reapplies for CalWORKs cash aid in the same month and is determined eligible. The month of March counts as one month toward the 48-month limit because the recipient received CalWORKs aid.

HANDBOOK ENDS HERE

.3	Requesting Exemptions/Exceptions	An applicant or a recipient can request an exemption/exception verbally or in writing. When a recipient states that s/he meets a condition that qualifies as an exemption to the 48-month time limit, as specified in MPP Sections 42-712 and 42-302.21 or an exception to the 48-month time limit as specified in 42-302.11, the county shall document the request and provide the recipient with an exemption/exception request form, if necessary to complete the request. (Continued)
.31	Exemption/Exception Request Form	The form to request an exemption or exception shall include, but is not limited to, the following:
	(a)	A description of the exemptions to the CalWORKs 48-month time limit, provided in MPP Section 42-302.21, and a description of the 48-month time limit exceptions, provided in MPP Section 42-302.11. (Continued)

Authority cited: Sections 10553, 10554, and 11369, Welfare and Institutions Code~~; SB 72 (Chapter 8, Statute of 2011), Section 42~~.

Reference: Sections 10553, 10554, 11266.5, 11320, 11320.3, 11454, 11454(e) and (e)(5), 11454.2, 11454.5, 11454.5(b) and (b)(4) and (5), and 11495.1, Welfare and Institutions Code; Section 37 of AB 444 (Chapter 1022, Statutes of 2002); and 42 U.S.C. 608(a)(7)(a), (B) and (D).

Amend Section 42-431.6 to read:

42-431 ELIGIBILITY REQUIREMENTS (Continued) 42-431

.6 (Continued)

.63 Eligibility for state-funded services will continue until the recipient has a final administrative denial, as defined in Section 42-431.541(a), of a U Visa application or when the 48-month program limitation has been reached, whichever comes first.

Authority cited: Sections 10553 and 10554, Welfare Institutions Code; ~~and~~ SB 1569 (Chapter 672, Statutes of 2006)**~~; SB 72 (Chapter 8, Statute of 2011), Section 42~~.**

Reference: Sections 11454, 11454.2, 13283, 14005.2, and 18945, Welfare and Institutions Code; 8 United States Code 1182(d)(5)(B), 28 Code of Federal Regulations (CFR) Section 1100.35, 45 (CFR) Section 400.43; he Trafficking Victims Protection Act of 2000 (P.L. 106-386), Sections 107(b)(1)(A), (B), and (C).

Amend Section 42-712 to read:

42-712 EXEMPTIONS FROM WELFARE-TO-WORK PARTICIPATION (Continued) 42-712

.4 (Continued)

.47 Exemption Based on the Care of a Child

.474 The parent or other relative who has primary responsibility for personally providing care to one child who is from 12 to 23 months of age, inclusive, or two or more children who are under six years of age is exempt from welfare-to-work participation. This paragraph shall become inoperative on July 1, 2012. (Continued)

.6 Any month in which an individual is exempt from participation in welfare-to-work activities based on the following exemption criteria shall not be taken into consideration as a month of receipt of aid in computing the 48-month time limit described in Section 42-302. Other exemptions from the 48-month time limit are listed in Section 42-302. (Continued)

.64 Being responsible for personally providing care to a child or children of a specific age, as described in Section 42.712.474. This paragraph shall become inoperative on July 1, 2012. (Continued)

Authority cited: Sections 10553, 10554, 10604, and 11369, Welfare and Institutions Code~~;~~ **~~SB 72 (Chapter 8, Statute of 2011), Section 42~~.**

Reference: Sections 10553, 10554, 10063(b), 11253.5, 11320, 11320.3, 11331.5(a), (b), (c), and (d), 11454, 11454.2, and 11454.5, Welfare and Institutions Code; and 42 U.S.C. 5044(f)(2).

Amend Section 42-713.4 to read:

.4 An individual who is excused from welfare-to-work participation for good cause is subject to the 48-month time limit in Section 42-302.

.41 A CWD may waive the 48-month time limit for victims of domestic abuse as provided in Section 42-713.221(a). (Continued)

.43 Effective July 28, 2009, any month in which an individual is excused from participation for good cause due to lack of supportive services, as specified in Section 42-713.21, shall not be counted toward the 48-month time limit. This paragraph shall become inoperative on July 1, 2012. (Continued)

Authority cited: Sections 10553, 10554, and 10604, Welfare and Institutions Code~~; SB 72 (Chapter 8, Statute of 2011), Section 42~~.

Reference: Sections 11320.3(b) and (f), 11323.2, 11325.23(c), 11454, 11454.2, 11454.5, 11495, and 11495.1, Welfare and Institutions Code; 42 U.S.C. 607(e)(2); and 45 CFR 261.15.

Amend Section 42-716 to read:

42-716 WELFARE-TO-WORK ACTIVITIES (Continued) 42-716

.1 (Continued)

.11 Individuals may participate in activities pursuant to Section 42-716.2 for up to the 48-month time limit in accordance with Section 42-302, as long as participation is consistent with their assessments under Section 42-711.55 and/or in accordance with their welfare-to-work plan under Section 42-711.6, or reappraisal under Section 42-711.7. (Continued)

.2 (Continued)

.21 (Continued)

.211 Participation in vocational education and training programs pursuant to Section 42-716.31(m) may only count as a core activity for a cumulative total of 12 months during an individual's 48-month time limit on aid. (Continued)

Authority cited: Sections 10553, 10554, and 10604, Welfare and Institutions Code~~; SB 72 (Chapter 8, Statute of 2011), Section 42~~.

Reference: Sections 11253.5(b), 11265.1, 11265.2, 11320.3(b)(2), 11322.6, 11322.61, 11322.7, 11322.8, 11322.9, 11324.4, 11324.6(a), 11325.21(a) and (d)(1), 11325.22(b)(1), 11325.7(a), (c), (d), 11325.8(a), (c), (d), and (f), 11326, 11327.5, 11450.5, 11451.5, 11454, and 11454.2, Welfare and Institutions Code; and Section 8358(c)(2), Education Code; 7 U.S.C. 2029(a)(1); 7 U.S.C. 2035; U.S. Department of Labor guidance on FLSA, with attached U.S.D.A., Food and Nutrition Service (FNS) guidance on an SFSP, dated May 22, 1997; Simplified Food Stamp Program approval letters from FNS to implement the provisions of an SFSP, dated May 5, 2000 and August 3, 2000.

Amend Section 42-716.3 to read:

.3 The CWD may provide services to employed former recipients under Section 42-717 whether or not the former recipients have exhausted their CalWORKs 48-month time limits. (Continued)

Authority cited: Sections 10553 and 10554, Welfare and Institutions Code~~; SB 72 (Chapter 8, Statute of 2011), Section 42~~.

Reference: Sections 11323.2(b), 11454, 11454.2, and 11500, Welfare and Institutions Code.

Amend Section 42-721.4 to read:

42-721 NONCOMPLIANCE WITH PROGRAM REQUIREMENTS (Continued) 42-721

.4 Sanctions (Continued)

.41 (Continued)

.411 Any month in which an individual is under sanction and removed from the assistance unit shall not be counted as a month of receipt of aid in determining the 48-month time limit in accordance with Section 42-302.115. (Continued)

Authority cited: Sections 10553, 10554, and 10604, Welfare and Institutions Code~~; SB 72 (Chapter 8, Statute of 2011), Section 42~~.

Reference: Sections 11203, 11265.2, 11320, 11320.31, 11322.9, 11324.8(d), 11327.4, 11327.5(a) through (e), 11327.6, 11327.8, 11327.9, 11328.2, 11333.7, 11454, 11454.2, and 16501.1(d), (e), (f), and (g), Welfare and Institutions Code

Amend Section 44-133.8 to read:

.8 Income and Needs of Time-Out Adults.

Income and needs of adults living in the home who have been removed from the AU due to exceeding the 48-month CalWORKs time limits shall be treated as follows: (Continued)

Authority cited: Sections 10553, 10554, 10604, and 11369, Welfare and Institutions Code~~;~~ ~~**SB 72 (Chapter 8, Statute of 2011), Section 42.**~~

Reference: Sections 10063, 10553, 10554, 10604, 11008.14, 11254, 11320.15, 11450, 11452, 11453, 11454, 11454.2, 11486, 18937, 18940, and 11371, Welfare and Institutions Code; 45 CFR 205.50(a)(1)(i)(A); 45 CFR 233.20(a)(1)(i); 45 CFR 233.20(a)(3)(ii)(C), (a)(3)(vi)(B), (a)(3)(xiv), (a)(3)(xiv)(B), and (xviii); 45 CFR 233.50(A)(c); and 45 CFR 233.90(c)(2)(i); Family Support Administration Action Transmittal 91-15 (FSA-AT-91-15), dated April 23, 1991; and Omnibus Budget Reconciliation Act (OBRA) of 1990; U.S. Department of Health and Human Services Federal Action Transmittal No. FSA-AT-91-4 dated February 25, 1991; Simpson v. Hegstrom, 873 F.2d 1294 (1989); Ortega v. Anderson, Case No. 746632-0 (Alameda Superior Court) July 11, 1995; and Federal Register, Vol. 58, No. 182, pages 49218 - 20, dated September 22, 1993; 8 U.S.C. 1631; and 42 U.S.C. 602(a)(39).

Amend Section 44-307.5 to read:

.5 Optional Voucher/Vendor Payments (Continued)

.52 Over Time Limit

When an adult is removed from the AU after reaching the 48-month time limit specified in Section 42-302.1, counties have the option of providing aid to the AU in the form of vouchers or vendor payments. (Continued)

Authority cited: Sections 10553 and 10554, Welfare and Institutions Code~~; SB 72 (Chapter 8, Statute of 2011), Section 42~~.

Reference: Sections 11251.3, 11320.15, 11327.5(d), 11450.13, 11453.2, 11454, 11454.2, and 17012.5, Welfare and Institutions Code; and Section 1942, Civil Code.

Amend Section 44-316.331 to read:

.3 (Continued)

(QR) .33 County Initiated Mid-Quarter Changes (Continued)

(QR) .331 County-initiated actions include:

(QR) (a) An adult in the AU reaches the 48-month time limit; (Continued)

Authority Cited: Sections 10553, 10554, and 11369, Welfare and Institutions Code~~; SB 72 (Chapter 8, Statute of 2011), Section 42~~.

Reference: Section 10063 (Ch. 270, Stats. 1997), 11265, 11265.1, 11265.2, 11265.3, 11450.5, 11454, and 11454.2, Welfare and Institutions Code.

Amend Section 82-833.1 to read:

82-833 TIMED-OUT ADULTS 82-833

.1 A timed-out adult is an adult who has been removed from the AU due to exceeding the 48-month CalWORKs time limit specified in MPP Section 42-301. See MPP Section 44-133.8 for treatment of income and needs of timed-out adults. (Continued)

Authority cited: Sections 10553, 10554, 11270, and 11369, Welfare and Institutions Code~~;~~ **~~SB 72 (Chapter 8, Statute of 2011), Section 42.~~**

Reference: 45 CFR 205.42(d)(2)(v)(A) and (B), as printed in Federal Register, Vol. 57, No. 198, Tuesday, October 13, 1992, page 46808, 45 CFR 205.52, 45 CFR 206.10(a)(5)(i), 45 CFR 232.12(d), 45 CFR 233.10(a)(1)(i), (a)(1)(i)(B), and (a)(3), 45 CFR 233.20(a)(1)(i), (a)(3)(ii)(C) and (F), and (a)(3)(ix), 45 CFR 233.50, 45 CFR 233.51, 45 CFR 233.90(c), (c)(1), and (c)(2)(iv), 45 CFR 233.100(a)(5)(ii), 45 CFR 233.106, 45 CFR 240 240.22, and 45 CFR 250.34(a) and (c), and (c)(2); and Sections 11008.13, 11104, 11157, 11201(b), 11203, 11251.3, 11263.5, 11268, 11270, 11315, 11320.6(e), 11327.5(c), 11406.5, 11450, 11454, 11454.2, 11454.5, 11477, 11477.02, 11486, and 11486.5, Welfare and Institutions Code; and the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996, Section 115.